

DECISION MEMORANDUM

TO: COMMISSIONER KEMPTON
COMMISSIONER SMITH
COMMISSIONER REDFORD
COMMISSION SECRETARY
COMMISSION STAFF
DON HOWELL

FROM: KRISTINE SASSER
DEPUTY ATTORNEY GENERAL

DATE: MARCH 16, 2011

SUBJECT: BRIAN WATER CORPORATION'S APPLICATION TO INCREASE ITS
BASE RATES, CASE NO. BRN-W-11-01

On February 25, 2011, Brian Water Corporation filed an Application for authority to increase its base rate from \$12.50 to \$18.00 for the first 4,000 gallons per month. The Company requests that the increase become effective as soon as possible.

THE APPLICATION

Brian Water asserts that its last request for a rate increase was in 2007. Its actual revenues since the Commission's approval of its 2007 increase have been lower than expected due to cool, wet weather over the past few years. Brian Water also states that its nitrate levels exceed the EPA's maximum contamination level (MCL) of 10 mg/L. The Application states that DEQ is directing the Company "to enact a longer range solution to keep the levels below the MCL." Application at 1. As a result, the Company is considering a new, deeper well.

The Application maintains that an increase in base rates would provide the revenues needed and put the Company's rates more in line with other water systems.

STAFF RECOMMENDATION

Staff has reviewed the Application and recommends that the Company's Application be processed by Modified Procedure.

COMMISSION DECISION

Does the Commission find that the public interest may not require a hearing, and that this proceeding may be processed under Modified Procedure?



Kristine A. Sasser
Deputy Attorney General